



By Peter Harvey
Founder and CEO
Intellidyn Corp.

How to Market Your Branch Successfully

Efficient marketing and lead generation come from the top

In light of recent changes to loan-originator compensation, there's no way to know the optimal marketing tactics for originating profitable loans moving forward. Will they, for example, stem from branch- or corporate-based marketing?

What does seem likely, however, is this: We appear to be nearing equilibrium between supply and demand. That applies to origination volumes and to a drastic reduction — some estimate a decline of 80 percent — in mortgage originators.

Some might think branches, which have become the new normal in many cases, would pioneer corporate-based marketing. So why hasn't that happened yet?

One reason might be that many branch companies also have had to deal with massive changes, ranging from operational challenges to regulations stemming from the Dodd-Frank Wall Street Reform and Consumer Protection Act. Regardless, the answer likely won't be a black-and-white choice between branch marketing and corporate marketing.

Instead, successful branch operators likely will rely on a combination of each. New branch operators can look to veterans for guidance. In many cases, these

more-experienced branch operators will shape marketing practices based on past experiences.

In the past, the biggest banks and mortgage bankers often complained about the agility of local brokers to better leverage relationships with local real estate agents. Recently, however, brokers led the exodus of mortgage originators. This leaves a huge opening for mortgage bankers to become the most-agile players in the market.

The most-successful originators typically rely on a strong referral base and former customers for business. There's just one problem: Referral networks and past customers aren't scalable. Moreover, branch operators can't simply feed new loan officers with Internet leads. Doing so will cause the same leads to be pummeled repeatedly into inefficiency and destroy performance percentages.

Instead, as your monthly originations grow — and they must grow in the new compensation climate — so must your lead sources, channels and loan products. Moreover, such growth must be coordinated or your costs will skyrocket, dysfunctional branch behavior will emerge, and compliance violations will become inevitable.

Branch operators backed by solid corporate-based marketing efforts will receive some help, but they also must create their own solutions. Some of the most-successful branch operators will draw on centralized lead and prospect data, developed at the corporate level, but deliver their own campaigns under their own budgets.

Brokers looking to enter the world of branch operations should consider those companies with strong marketing skills, including the ability to create a steady stream of leads across the highest-performing niches. Teaming with such an organization can lead to a branch operation with advanced marketing tools and practices that accelerate originations and ensure loan compliance. ●

Peter Harvey is founder and CEO of Intellidyn Corp. Prior to founding Intellidyn (intellidyn.com), Harvey held senior marketing positions with Bank One, Chase Retail and GE Capital. Reach him at (781) 741-5503, ext. 100, or pharvey@intellidyn.com.